

Industrial Commission of Arizona

	FY 2022 ACTUAL	FY 2023 ESTIMATE	FY 2024 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	236.6	236.6	236.6 ^{1/}
Personal Services	9,194,900	10,900,800	10,900,800
Employee Related Expenditures	3,433,600	3,883,300	3,883,300
Professional and Outside Services	1,273,500	1,516,100	1,516,100
Travel - In State	106,600	113,900	113,900
Travel - Out of State	9,500	40,800	40,800
Other Operating Expenditures	4,029,500	5,302,900	5,302,900
Equipment	200,300	218,900	218,900
OPERATING SUBTOTAL	18,247,900	21,976,700	21,976,700
SPECIAL LINE ITEMS			
Municipal Firefighter Reimbursement Administration	95,000	84,600	84,600 ^{2/}
AGENCY TOTAL	18,342,900	22,061,300	22,061,300 ^{3/}
FUND SOURCES			
General Fund	95,000	84,600	84,600
<u>Other Appropriated Funds</u>			
Administrative Fund	18,247,900	21,976,700	21,976,700
SUBTOTAL - Other Appropriated Funds	18,247,900	21,976,700	21,976,700
SUBTOTAL - Appropriated Funds	18,342,900	22,061,300	22,061,300
Other Non-Appropriated Funds	16,413,300	21,418,500	21,418,500
Federal Funds	2,995,500	3,501,500	3,501,500
TOTAL - ALL SOURCES	37,751,700	46,981,300	46,981,300

AGENCY DESCRIPTION — The Industrial Commission regulates the workers' compensation insurance industry. The commission is also responsible for child labor issues, occupational safety and health issues, wage claim dispute resolutions, and providing workers' compensation coverage for claimants of uninsured and self-insured employers.

FOOTNOTES

- ^{1/} Includes 1 GF FTE Position funded from Special Line Items in FY 2024.
- ^{2/} The legislature intends that the state general fund appropriation be used only for administrative costs of title 23, chapter 11, Arizona Revised Statutes, and that this appropriation does not convey any responsibility for firefighter cancer compensation and benefits claims on to this state. (General Appropriation Act footnote)
- ^{3/} General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

Operating Budget

The Baseline includes \$21,976,700 and 235.6 FTE Positions from the Administrative Fund in FY 2024 for the operating budget. These amounts are unchanged from FY 2023.

Municipal Firefighter Reimbursement Administration

The Baseline includes \$84,600 and 1 FTE Position from the General Fund in FY 2024 for the Municipal Firefighter Reimbursement Administration line item. These amounts are unchanged from FY 2023.

A.R.S. § 23-1702 and § 23-1703 require the Industrial Commission to assess an annual fee on cities and towns and to proportionally distribute the revenue based on the actual amount paid by municipalities for the cost of cancer-related treatments for firefighters and fire investigators.

SUMMARY OF FUNDS	FY 2022 Actual	FY 2023 Estimate
Administrative Fund (ICA2177/A.R.S. § 23-1081)		Appropriated
Source of Revenue: Annual tax on workers' compensation premiums that cannot exceed 3%.		
Purpose of Fund: For all expenses of the Industrial Commission in carrying out its powers and duties.		
Funds Expended	18,247,900	21,976,700
Year-End Fund Balance	5,553,200	3,165,400
Federal Grants (ICA2000/A.R.S. § 35-142)		Federal Funds
Source of Revenue: Federal grants.		
Purpose of Fund: To enforce occupational safety and health standards in all industries in Arizona except businesses relating to mining and smelting, businesses located on Indian reservations and federal agencies.		
Funds Expended	2,995,500	3,501,500
Year-End Fund Balance	92,300	654,800
Municipal Firefighters Cancer Reimbursement Fund (ICA2182/A.R.S § 23-1702)		Non-Appropriated
Source of Revenue: Fees collected from cities and towns that receive state shared revenues. Total fees collected may not exceed \$15,000,000		
Purpose of Fund: To reimburse municipal payors for the compensation and benefits paid to firefighters and fire investigators for partial disability, lost earning capacity, total disability, medical fees, and death benefits.		
Funds Expended	0	5,000,000
Year-End Fund Balance	15,053,200	25,128,200
Proposition 206 Fair Wages and Healthy Families Fund (ICA2185/A.R.S § 23-364)		Non-Appropriated
Source of Revenue: Fees levied against violators of minimum wage and paid sick leave.		
Purpose of Fund: To enforce minimum wage and paid sick leave requirements.		
Funds Expended	0	15,000
Year-End Fund Balance	9,600	9,600
Revolving Fund (ICA2002/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Charges for claims education seminars and training materials, charges for medical fee schedules and other miscellaneous revenue.		
Purpose of Fund: To fund an annual seminar on workers' compensation for insurance carriers and self-insured employers; to print a medical fee schedule for workers' compensation; and to provide a holding account for money owed to employees by their employers for back wages.		
Funds Expended	61,700	177,500
Year-End Fund Balance	283,500	283,500
Special Fund (ICA2180/A.R.S. § 23-1065)		Non-Appropriated
Source of Revenue: Assessments on workers' compensation premiums, earnings on investments, rent proceeds, and reimbursement of the cost of benefits provided to injured employees of uninsured employers.		
Purpose of Fund: To provide medical benefits in excess of original policy limits on claims occurring prior to a 1973 law change requiring unlimited statutory medical benefits; to provide compensation benefits resulting from second injuries; to provide vocational rehabilitation benefits; and to provide benefits on claims against uninsured employers and insolvent insurance carriers.		
Funds Expended	16,351,600	16,226,000
Year-End Fund Balance	632,700	1,149,000